

REVENUE ESTIMATING CONFERENCE
December 17, 2009

Legislative Fiscal Office
State General Fund Revenue Forecast
(millions of \$)

	FY09	FY10	FY11	FY12	FY13	FY14
SGF Revenue	\$9,386	\$7,863	\$8,021	\$8,204	\$8,400	\$8,649
Forecast Change		-\$197	-\$194	-\$341	-\$430	na
Yr/Yr \$ Chg.	-\$783	-\$1,523	\$158	\$183	\$196	\$249
Yr/Yr % Chg.	-7.7%	-16.2%	2.0%	2.3%	2.4%	3.0%

The national recession is now here in a big way. After three post-hurricane years of substantial revenue growth (five years including the two years before the storms), general fund revenue fell by \$783 million or 7.7% during FY09, and is projected fall by another \$1.3 billion in FY10. Recovery is still expected to start during FY11 and strengthen modestly during FY12 and beyond. However, the strong growth surges or step-ups in revenue experienced in the FY04 - FY08 years are not likely to occur again in the forecast horizon. Storm recovery spending must eventually taper down, energy price spikes are ultimately self-correcting, and national economic recovery is likely to be long and slow. Revenue growth will return but will exhibit only modest annual growth rates.

Mineral revenue has been the primary revenue bright spot in FY10, and an increase in the oil price forecast and mineral revenue receipts has been incorporated into this revision. Aside from mineral revenue strength, spending and income based revenues are generally weakening across the board, and these revenues comprise a much larger share of the state revenue pie than does mineral revenue. Reductions to taxation of business utilities had already been incorporated into the forecasts, but substantial spending retrenchment is also occurring and sales tax collections are falling much more rapidly than expected. Similar situations are developing in personal income tax and corporate taxes. Tax reductions to both of these revenue sources are already incorporated, but the underlying base of collections of both taxes is deteriorating more rapidly than expected.

All FY10 performance discussed here is exclusive of tax amnesty receipts (Act 519 of the 2009 Regular Session). To date, this program has resulted in over \$450 million of receipts, and the processing of applications is not yet complete. Approximately 92% of these receipts are from business participants and 8% from individuals. About 74% involve corporate income & franchise tax, 15% sales tax, and 8% individual income tax. Tax amnesty programs are largely accelerations of tax revenue that would otherwise be received in subsequent periods through the dispute resolution process. Thus, while these receipts are available in FY10, the likely ongoing effect is to reduce collections in subsequent fiscal years.

Risks to the forecast are predominately to the downside. The length and depth of the national/global recession, and the strength/speed of recovery will heavily influence the state's economic performance and the price of energy resources. Even with stabilization of the energy sector, the economic sensitive revenue sources of corporate, income, and sales taxes can see further erosion. These revenue areas comprise over 60% of the state's tax mix, and even small deterioration results in material revenue losses.

Oil and Gas Price Forecast

	FY09	FY10	FY11	FY12	FY13	FY14
Oil \$/bbl, WTI	\$69.71	\$69.32	\$65.64	\$68.74	\$65.97	\$66.00
Forecast Change		\$16.03	\$0	\$0	\$0	na
Gas \$/mmbtu, HH	\$5.93	\$3.93	\$4.92	\$5.21	\$5.28	\$5.25
Forecast Change		\$0.15	\$0.19	\$0	\$0	na
Gas Sev. Tax Rate ¢/mcf	28.8¢	33.1¢	15.3¢	18.6¢	20.6¢	26.3¢
Forecast Change			-3.3¢	-7.0¢	-11.0¢	na

Severance and Royalty Forecast (millions of \$)

	FY09	FY10	FY11	FY12	FY13	FY14
Severance & Royalty	\$1,388	\$1,322	\$1,267	\$1,348	\$1,341	\$1,344
Forecast Change		\$158	\$29	\$18	\$13	na

After dipping to nearly \$30/bbl a year ago, prices have exceeded \$70/bbl and the May 2009 forecast average for much of FY10. This forecast revision incorporates an oil price increase of \$16.03/bbl for FY10, to a new projected average for FY10 of \$69.32/bbl. Oil price forecasts for subsequent years have not been changed. Price recovery had been incorporated for those years in the last forecast of May 2009, and those prices still seem reasonable for budgeting purposes. Consequently, the mineral revenue forecast has been substantially increased for FY10 with only a modest spillover into subsequent years. It should be noted that this is almost entirely an oil price change. Natural gas price revisions have been minor as gas languishes under the weight of the recession and the prospect of large shale formation reserves being developed around the country. While the gas price situation may suggest that oil prices are currently ahead of their fundamental price, the expectation of economic recovery in FY11 and beyond supports oil price projections in those years, although some downside risk to the mineral revenue picture always exists.

Some comment should be included concerning the Haynesville Shale development in northwest quadrant of the state. While this type of formation holds potentially very large amounts of natural gas, the direct fiscal benefits of production may not be material for some years in the future. Although, over 250 wells are currently producing, the type of drilling technique used for wells in this formation benefits from an exemption to the severance tax for 24 months or until the well's drilling costs are covered. If these wells

exhibit rapid depletion then severance taxes will occur on smaller production volumes than those experienced early in the well's life. With lower gas prices, the boom in bonus receipts received in FY08 and FY09 is also not likely to occur again, and while wells producing on state owned lands will generate royalty payments, those receipts will be tempered by the lower gas prices.

As a cautionary note, with the Budget Stabilization Fund filled (amnesty receipts will replenish the amount used for the FY10 budget), all mineral revenue volatility over a threshold of approximately \$970 million directly affects the state general fund.

Sales Tax Forecast
(millions of \$)

	FY09	FY10	FY11	FY12	FY13	FY14
General	\$2,763	\$2,363	\$2,486	\$2,527	\$2,622	\$2,726
Forecast Change		-\$250	-\$158	-\$189	-\$187	na
Vehicle	\$308	\$256	\$264	\$295	\$320	\$331
Forecast Change		\$4	-\$18	-\$12	-\$1	na
2.3% Busi. Utils.		-\$156	-\$156	-\$156	-\$156	-\$156
Other Susps Expire		-\$32	-\$32	-\$32	-\$32	-\$32

Both general and vehicle sales taxes surged in FY06, the fiscal year of the storms. After that the general sales tax sharply slowed its growth in both FY07 and FY08 and, with the help of a tax cut on business utilities, tax receipts actually fell by 3.6% in FY09. Vehicle sales taxes exhibited negative growth immediately in FY07 and FY08, and then fell dramatically in FY09 (17.4% cash drop) as the recession hit the auto market.

The recession is now hitting the general sales in FY10 in a very big way. Receipts through November are 24.3% behind prior year, with the last four months each exhibiting over 20% drops compared to the prior year. Further tax cuts on business utilities and other purchases take hold in FY10, as well, but drops of these magnitudes reflect dramatic retrenchment in household and business spending (the tax cuts were already expected in the forecasts). Consequently, the forecast for FY10 has been reduced by \$250 million, and this bleeds over into large reductions in the forecasts for subsequent years. It should be noted that this new forecast anticipates improvement in this spending retrenchment by the end of the fiscal year, implying a 14.5% drop in receipts; well below the rate of decline currently being experienced.

Downside risk exists with this revenue source. Further forecast reductions are possible depending on the length and severity of the recession-induced spending retrenchment. Reflecting the absolute size of this revenue source, each 1% drop in this tax equates to over \$27 million of lost receipts.

While the Louisiana economy is somewhat shielded from the severity of economic problems afflicting the rest of the country, when it come to the largest consumer durable

purchase (automobiles), Louisiana households and businesses are very much like the rest of the nation. Vehicle sales tax receipts dropped by 17.4% in FY09 and continue to drop in FY10; 10.4% behind prior year through November. Fortunately, this actually represents an improvement relative to forecast. The cash-for-clunkers program early in the fiscal year and pent up demand after three years of net reductions in auto purchases is working to keep tax receipts “only” 10.4% down so far this fiscal year. Consequently, a small addition to the FY10 forecast is made, but the overall baseline for this tax is still reduced for subsequent years.

Personal Income Tax Forecast
(millions of \$)

	FY09	FY10	FY11	FY12	FY13	FY14
Income Tax	\$2,966	\$2,593	\$2,711	\$2,751	\$2,847	\$2,959
Forecast Change		\$36	\$31	\$1	-\$35	na
Excess Item 3 rd Phase		-\$118	-\$127	-\$136	-\$147	-\$158
Expand Brackets		-\$359	-\$251	-\$262	-\$273	-\$285
Tuition Deduction		-\$23	-\$25	-\$26	-\$27	-\$28

The personal income tax has been a strong suit of the state’s revenue base, exhibiting remarkable resiliency in the post-storm period. Receipts grew 4.6% in the storm year of FY06, then surged 29.7% in FY07. FY08 had to be a weaker year, following such a surge year and experiencing phase one of the excess itemized deduction give-back, and finished 0.6% (flat) on a cash basis and down 2.7% on an accrual basis. FY09 also had to be a down year largely due to tax breaks hitting that year; excess itemized deduction phase two, a new earned income credit, and one-time insurance premium credit. Consequently, receipts dropped 6.4% in that year. That was actually a better than expected performance (by some \$132 million), and that resiliency is carried over into this forecast revision with an actual increase to the forecast baseline of \$36 million for FY10 and \$31 million for FY11.

However, the personal income tax is still expected to drop in FY10 by some \$373 million (12.6%), largely as a result of tax cuts; phase three of the excess itemized deduction give-back, the expansion of tax brackets, and a new deduction for expenses of K-12 school tuition, uniforms, and supplies. Underlying base growth is still projected positive for FY10, and essentially flat for FY11, but the out-year effects of the bracket expansion decline, and total tax receipts are expected to return to modest positive growth in FY11 and beyond.

Downside risks also appear possible with this tax. While year-to-date performance through November is modest and mixed; 3.4% down on a cash basis and 2.9% up on an accrual basis, large tax cuts are scheduled to hit in the spring when 2009 tax year returns are filed. In addition, a weakened labor market may eventually outweigh the resiliency that has been exhibited by this tax for the past few years. As with sales tax, the absolute

size of this revenue source means that each 1% drop in this tax equates to over \$29 million of lost receipts.

Corporate Tax Forecast
(millions of \$)

	FY09	FY10	FY11	FY12	FY13	FY14
Income & Franch	\$825	\$442	\$399	\$381	\$339	\$348
Forecast Change		-\$75	-\$16	-\$115	-\$210	na
Borrowed Capital		-\$90	-\$161	-\$161	-\$161	-\$161

After four years of growth, corporate collections reached their peak for the cycle in FY07 at \$1.052 billion, by far a record high in absolute dollar terms. This essentially doubled approximately twenty years of a norm of \$400 million to \$600 million per year. Three of those years experienced double-digit growth as high as 51%. This very strong performance was driven by global economic growth, oil price increases, and U.S. dollar exchange rate declines benefiting the broadly defined energy sector and exporters in the state.

However, this streak ended in FY08 with a drop of \$113 million (-11%), and this weakness has extended into FY09 and appears likely to persist through FY13 before turning around. The downside of the corporate tax cycle results from the national/global recession and the fall in energy prices from their mid-2008 peaks. In addition, the phase-out of borrowed capital from the franchise tax base began to take a real bite out of receipts in FY08 (22% drop). FY09 experienced another 9% drop, and FY10 and FY11 will experience the final phases of this tax break, 70% and 100%, respectively.

For FY10, cash basis collections through November are 69% lower than last year, and 78% lower on an accrual basis. With most of these taxes collected in the last quarter of the fiscal year, early month performance can be uncertain as to what it says about the entire fiscal year. However both tracks indicate sharply falling collections consistent with economic and tax changes reasons for collections drops. Consequently, the FY10 forecast has been reduced materially (46% drop in FY10 from FY09), with varying reductions made in subsequent years.

On both the upside and downside, caution is always advised with corporate forecasts due to the highly volatile characteristics of these receipts. Double-digit annual growth and declines are typical. In addition, roughly one-half to two-thirds of these revenues are collected in the last quarter of fiscal year. The risk to this revenue source is likely to the downside, though, dependent upon the length and depth of the national and global recession. Even as economic growth recovers though, these receipts may stay weak for a while as business losses from the recession show up as net operating loss deductions in the later periods of growth and profitability.

Gaming Revenue Forecast
(millions of \$)

	FY09	FY10	FY11	FY12	FY13	FY14
All Gaming	\$863	\$831	\$829	\$847	\$872	\$890
Forecast Change		-\$29	-\$34	-\$19	\$4	na

Gaming in general is a fairly stable revenue source, exhibiting sharp changes only when institutional changes occur such as when new venues open or close, or tax rates or bases are changed. However, as a spending-based taxes, these receipts are also weakening as the recession cuts into discretionary/entertainment spending. Riverboat receipts finished almost 6% down in FY09 and are less than 2% up through November. Video poker activity was essentially flat in FY09 and is down almost 10% through November this year. Racetrack slots grew each year through FY09 but have slowed to nearly no growth this year. The New Orleans land-based casino also finished FY09 almost 10% down. Gaming Control Board data on actual gaming play supports a downgrade in all four of these revenues for FY10 and this lowers the baseline for growth in subsequent years. Lottery transfers increased each year since the storms, including FY10. However, the Lottery Corporation recommends a reduced expectation for FY11 and beyond on concerns over potential competition in surrounding states, and the fact that this gaming is largely jackpot size and frequency driven.

Motor Fuels Tax Forecast
(millions of \$)

	FY09	FY10	FY11	FY12	FY13	FY14
Gasoline & Spec Fuels	\$591	\$565	\$564	\$568	\$578	\$593
Forecast Change		-\$26	-\$31	-\$42	-\$47	na

Combined gasoline and special fuels (diesel) performed modestly well in the post-storm period, of FY06 and FY07, growing by 3.0% and 2.3%, respectively. However, both FY08 and FY09 saw drops in these receipts, 1% and 1.7%, respectively. Ending weakness in FY08 was probably the result of energy prices that peaked in the summer of 2008. Weakness in FY09 probably reflected the building recession. That weakness has worsened substantially in FY10, with collections 5.7% down through November. The revised forecast is for a 4.3% drop in FY10 with flat performance in FY11. This also lowers the baseline for collections for all subsequent years. Modest growth returns in FY12, and moves into the 2% range beyond that. Risks to this outlook would be the length and depth of the national recession and its bleed over to Louisiana, curtailing consumer, business, and trucking transportation activity. Although, retail pump prices are down from their summer 2008 historic peaks, the lack of driving sensitivity to fuel prices works both ways, and at this point it will likely take economic recovery to reverse the demand destruction already occurring. Thus, the outlook for fuel tax receipts is for declines in a weak economy and then slow growth early in the recovery.

New Dedications
(millions of \$)

	FY09	FY10	FY11	FY12	FY13
Aviation Sales Tax To TTF	\$10	\$20	\$20	\$20	\$20
NOW Opportunities Waiver Fund	\$0	\$?	\$?	\$?	\$?
Vehicle Sales Tax To TTF Delayed	\$0	\$51	\$79	\$147	\$240
Parish Severance Tax / Atchafalaya Basin				\$35	\$60
Tax Amnesty Program		\$450+			

No new dedications diverting current year existing revenue flows were enacted in the 2009 session. However, there are certain dedication issues worth noting, and they are displayed in the table above.

Every three years the Departments of Revenue and of Transportation & Development re-estimate the amount of state sales tax receipts associated with aviation fuels. That estimated dollar amount is dedicated to the Transportation Trust fund for the ensuing three years. This process was most recently completed last fiscal year and is effective for this fiscal year (FY10). The dedication increases by some \$20 million per year to a total dedication of nearly \$30 million per year. This increased dedication has already been incorporated into previous forecasts of FY10 and subsequent years.

The existing New Opportunities Waiver Fund (NOW) is calculated at the end of each fiscal year for that year's dedication amount. For example, the calculation for FY10 will be based upon the last forecast made for FY10 compared to the forecast for FY10 in place when the fiscal year began. Twelve percent of any increase in forecast, up to \$50 million, is then allocated to the NOW fund. Thus, only near the end of the fiscal year is it known whether any amount of that fiscal year's receipts will be allocated to the fund. To allocate the entire \$50 million maximum amount would require an increase in forecasts of over \$416 million. This seems unlikely in the current revenue environment.

The dedication to the Transportation Trust Fund of state sales tax receipts associated with vehicle sales is also a potential, but to activate this dedication requires that general fund forecasts exceed \$9.703 billion (the May 9, 2008 forecast for FY09). Once that occurs the dedication would start at the phase-in level provided by the dedication statute (FY09 10%, FY10 20%, FY11 30%, FY12 50%, FY13 75%, FY14 85%, and FY15 and beyond 100%). The current revenue outlook does not provide for this dedication to occur. Thus, when revenue forecasts do exceed the threshold, 100% of vehicle sales tax will become dedicated in one year. That will likely be an amount well in excess of \$300 million.

Act 451 of the 2009 regular session increases the existing maximum amount of state severance taxes back to the parishes of severance. In addition, a new dedication of up to

\$10 million per year would allocated from severance taxes and royalty receipts from state lands in the Atchafalaya Basin. These new dedications require voter adoption of a constitutional amendment, scheduled for November, 2010. If adopted by the electorate, the first amounts dedicated would occur in FY12.

Finally, Act 519 of the 2009 regular session authorized a tax amnesty program during the fall of 2009 that has occurred but processing of all applications/participation is not yet completed. Over \$450 million has been reported collected so far. Monies collected are allocated to the Department of Revenue for administrative costs and to replace penalty receipts that fund the department's operation but which will not be collected in subsequent years due to the acceleration of settlement/dispute receipts (with penalties abated) from future periods into FY10. In addition, \$90 million is allocated to the Coastal Protection and Restoration Fund, up to \$86 million to the Budget Stabilization Fund, and the remainder to the state general fund.

REVENUE ESTIMATING CONFERENCE

FISCAL YEAR 10 FORECAST

(In Million \$)

REVENUE SOURCE / Dedications	ADOPTED				
	Official Forecast 5/21/2009	Proposed DOA Forecast 12/17/2009	Proposed LFO Forecast 12/17/2009	DOA +(-) Official Forecast	LFO +(-) Official Forecast
Alcoholic Beverage	19.0	18.7	19.6	(0.3)	0.6
Beer	36.5	35.3	36.5	(1.2)	-
Corporate Franchise	94.8	97.8	97.3	3.0	2.5
Corporate Income	422.4	257.4	345.1	(165.0)	(77.3)
<i>Total Corp Fran. & Inc.</i>	517.2	355.1	442.4	(162.1)	(74.8)
Gasoline & Special Fuels	592.0	591.2	565.4	(0.8)	(26.6)
Gift	0.0	-	-	-	-
Hazardous Waste	3.1	3.5	3.1	0.4	-
Individual Income	2,557.0	2,705.5	2,593.0	148.5	36.0
Inheritance	1.4	1.0	1.4	(0.4)	-
Natural Gas Franchise	5.4	4.0	2.5	(1.4)	(2.9)
Public Utilities	5.0	5.1	5.0	0.1	-
Auto Rental Excise	5.0	5.2	4.0	0.2	(1.0)
Sales Tax - General	2,613.5	2,460.6	2,363.3	(152.9)	(250.3)
Severance	780.0	892.4	888.6	112.4	108.6
Special Fuels	-	-	-	-	-
Supervision/Inspection Fee	8.6	8.9	6.5	0.3	(2.1)
Tobacco	141.5	144.5	126.9	3.0	(14.6)
Unclaimed Property	32.0	28.2	32.0	(3.8)	-
Miscellaneous Receipts	6.5	6.7	6.5	0.2	-
Total-Dept. of Revenue	7,323.7	7,266.0	7,096.6	-57.6	-227.0
Royalties	384.0	419.3	433.5	35.3	49.5
Rentals	20.4	12.7	24.0	(7.7)	3.6
Bonuses	30.7	25.5	20.0	(5.2)	(10.7)
Mineral Interest	1.0	2.0	2.5	1.0	1.5
Total-Natural Res.	436.1	459.5	480.0	23.4	43.9
Interest Earnings (SGF)	130.0	141.3	130.0	11.3	-
Interest Earnings (TTF)	10.0	6.8	6.8	(3.2)	(3.2)
Var. Agy. Receipts	44.3	41.3	44.3	(3.0)	-
Agency SGR Over-Collections	19.8	18.1	20.4	(1.7)	0.6
Bond Reimbursements	3.9	4.0	4.0	0.1	0.1
Quality Ed. Support Fund	65.0	69.0	45.0	4.0	(20.0)
Lottery Proceeds	123.0	136.3	136.3	13.3	13.3
Land-based Casino	82.0	71.4	72.8	(10.6)	(9.2)
Tobacco Settlement	81.5	67.4	67.4	(14.1)	(14.1)
DHH Provider Fees	106.1	107.8	106.1	1.8	0.0
Total Treasury	665.6	663.5	633.1	-2.1	-32.5
Excise License	345.7	324.0	335.4	(21.7)	(10.3)
Ins. Rating Fees (SGF)	55.1	54.9	57.4	(0.2)	2.3
Total-Insurance	400.8	378.9	392.8	-21.9	-8.0
Misc. DPS Permits & ABC Permits	8.3	11.0	9.0	2.7	0.7
Titles	19.3	23.3	18.7	4.0	(0.6)
Vehicle Licenses	84.0	100.5	83.1	16.5	(0.9)
Vehicle Sales Tax	252.0	281.5	256.3	29.5	4.3
Riverboat Gaming	380.0	384.4	365.6	4.4	(14.4)
Racetrack slots	61.0	63.9	56.7	2.9	(4.3)
Video Draw Poker	214.0	198.1	199.4	(15.9)	(14.6)
Total-Public Safety	1,018.6	1,062.8	988.8	44.2	-29.8
Total Taxes, Lic., Fees	9,844.7	9,830.7	9,591.2	-14.1	-253.5
<i>Less: Dedications</i>	<i>(1,784.8)</i>	<i>(1,800.2)</i>	<i>(1,728.3)</i>	<i>(15.4)</i>	<i>56.5</i>
<i>Less: NOW Waiver Fund Allocation</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>	<i>-</i>
STATE GENERAL FUND REVENUE - DIRECT	8,059.9	8,030.5	7,862.9	-29.5	-197.0
Budget Stabilization Fund resources available { as per HCR 236 of 2009R and REC action of 8/17/2009 }		86,177,032.33	86,177,032.33		
FY10 Revenue Forecast With Budget Stabilization Funds		8,116.6	7,949.1		
Oil Price (\$/barrel)	\$53.29	\$68.18	\$69.32	\$14.89	\$16.03

Some columns and lines do not add precisely due to rounding.

REVENUE ESTIMATING CONFERENCE

FISCAL YEAR 10 FORECAST

(In Million \$)

REVENUE SOURCE / Dedications	Official Forecast 5/21/2009	Proposed DOA Forecast 12/17/2009	ADOPTED		
			Proposed LFO Forecast 12/17/2009	DOA +(-) Official Forecast	LFO +(-) Official Forecast
-			ADOPTED		
Transp. Trust/Motor Fuels/93% Veh. Sales	473.6	473.0	452.3	(0.6)	(21.3)
Transp. Mobility Fund / 7% Veh. Sales	0.0	0.0	0.0	-	-
Motor Vehicles Lic. - TTF	37.0	43.7	35.7	6.7	(1.2)
Aviation Tax - TTF	29.8	29.8	29.8	0.0	-
TTF/Interest and Fees	38.4	28.8	37.1	(9.6)	(1.3)
Motor Fuels - TIME Program	118.4	118.2	113.1	(0.2)	(5.3)
Motor Veh.Lic - Hwy Fund #2	9.7	11.4	9.5	1.7	(0.3)
State Highway Improvement Fund	36.8	45.4	37.4	8.6	0.6
Severance Tax -Parishes	35.1	44.2	44.4	9.1	9.3
Severance Tax - Forest Prod. Fund	3.0	2.7	2.6	(0.3)	(0.4)
Royalties - Parishes	38.4	41.9	43.4	3.5	5.0
Royalties-DNR/AG Support Fund	2.6	1.6	2.6	(1.0)	-
Wetlands Fund	27.7	30.2	30.5	2.4	2.7
Mineral Audit Settlement Fund	0.0	0.0	0.0	-	-
Quality Ed. Support Fund	65.0	69.0	45.0	4.0	(20.0)
LA Econ Dev Port Dev Infra Fund	0.0		0.0	-	-
Sales Tax Econ. Development	12.7	12.3	11.6	(0.4)	(1.1)
Tourist Promotion District	21.5	20.6	19.6	(0.9)	(1.8)
Excise Lic. - 2% Fire Ins.	17.5	15.5	17.4	(2.0)	(0.1)
Excise Lic. -Fire Mars. Fd.	12.3	12.8	14.3	0.5	2.0
Excise Lic. - LSU Fire Tr.	2.5	2.6	2.9	0.1	0.4
Insurance Fees	55.1	54.9	57.4	(0.2)	2.2
State Police Salary Fund	15.6	15.6	15.6	-	-
Video Draw Poker	66.3	60.6	61.5	(5.8)	(4.8)
Racetrack Slots	27.9	31.0	27.3	3.1	(0.6)
Lottery Proceeds Fund	122.5	135.8	135.8	13.3	13.3
SELF Fund	163.2	153.2	150.9	(10.0)	(12.3)
Riverboat 'Gaming' Enforce.	57.8	61.2	57.8	3.4	0.0
Compulsive Gaming Fund	2.5	2.5	2.5	-	-
Stabilization Fund	0.0	0.0	0.0	-	-
Hazardous Waste Funds	3.1	3.5	3.1	0.4	-
Supervision/Inspection Fee	8.6	8.9	6.5	0.3	(2.1)
Insp. Fee/Gasoline, Ag. Petr. Fund	5.3	5.5	4.9	0.2	(0.4)
Tobacco Settlement	81.5	67.4	67.4	(14.1)	(14.1)
Tob Tax Health Care Fd / Reg Enf Fd	42.4	43.4	37.6	1.0	(4.8)
Rapid Response Fund/Econ Dev	10.0	10.0	10.0	-	-
Rapid Response Fund/Workforce	10.0	10.0	9.9	-	(0.1)
Unclaimed Property / I-49	15.0	15.0	15.0	-	-
Capitol Tech	10.0	10.0	10.0	-	-
DHH Provider Fees	106.1	107.8	106.1	1.8	0.0
Total Dedications	1,784.8	1,800.2	1,728.3	15.4	-56.5

ADOPTED

Some columns and lines do not add precisely due to rounding.

REVENUE ESTIMATING CONFERENCE

FISCAL YEAR 11 FORECAST

(In Million \$)

REVENUE SOURCE / Dedications	ADOPTED				
	Official Forecast 5/21/2009	Proposed DOA Forecast 12/17/2009	Proposed LFO Forecast 12/17/2009	DOA +(-) Official Forecast	LFO +(-) Official Forecast
Alcoholic Beverage	19.0	18.7	19.0	(0.3)	-
Beer	36.5	35.6	36.5	(0.9)	-
Corporate Franchise	40.9	92.1	50.4	51.2	9.5
Corporate Income	374.4	185.7	348.9	(188.7)	(25.5)
<i>Total Corp Fran. & Inc.</i>	415.3	277.8	399.3	(137.5)	(16.0)
Gasoline & Special Fuels	595.0	597.4	564.2	2.4	(30.8)
Gift	0.0	-	-	-	-
Hazardous Waste	3.1	3.5	3.1	0.4	-
Individual Income	2,680.0	2,832.3	2,711.0	152.3	31.0
Inheritance	1.4	1.0	1.4	(0.4)	-
Natural Gas Franchise	5.4	4.1	3.0	(1.3)	(2.4)
Public Utilities	5.0	5.2	5.0	0.2	-
Auto Rental Excise	5.0	5.3	4.5	0.3	(0.5)
Sales Tax - General	2,644.5	2,484.9	2,486.3	(159.6)	(158.2)
Severance	774.0	772.2	790.8	(1.8)	16.8
Special Fuels	-	-	-	-	-
Supervision/Inspection Fee	8.6	9.1	7.0	0.5	(1.6)
Tobacco	141.1	146.1	126.6	5.0	(14.5)
Unclaimed Property	32.0	29.4	32.0	(2.6)	-
Miscellaneous Receipts	6.5	6.8	6.5	0.4	-
Total-Dept. of Revenue	7,372.3	7,229.3	7,196.1	-143.0	-176.2
Royalties	464.0	539.5	476.2	75.5	12.2
Rentals	20.4	16.1	17.1	(4.3)	(3.3)
Bonuses	37.1	32.1	34.7	(5.0)	(2.5)
Mineral Interest	1.0	2.0	2.4	1.0	1.4
Total-Natural Res.	522.5	589.7	530.4	67.2	7.9
Interest Earnings (SGF)	110.0	120.1	110.0	10.1	-
Interest Earnings (TTF)	10.0	9.0	6.8	(1.0)	(3.2)
Var. Agy. Receipts	44.3	41.3	44.3	(3.0)	-
Agency SGR Over-Collections	19.8	18.1	20.4	(1.7)	0.6
Bond Reimbursements	3.9	4.0	4.0	0.1	0.1
Quality Ed. Support Fund	65.0	69.9	50.0	4.9	(15.0)
Lottery Proceeds	123.0	126.7	126.7	3.7	3.7
Land-based Casino	85.0	73.5	74.3	(11.5)	(10.7)
Tobacco Settlement	86.5	63.0	63.0	(23.5)	(23.5)
DHH Provider Fees	104.1	111.0	106.1	6.9	2.0
Total Treasury	651.6	636.6	605.6	-15.0	-46.0
Excise License	367.9	335.3	352.4	(32.6)	(15.5)
Ins. Rating Fees (SGF)	57.3	58.0	60.3	0.7	2.9
Total-Insurance	425.2	393.3	412.7	-31.9	-12.5
Misc. DPS Permits & ABC Permits	9.3	11.1	9.2	1.8	(0.1)
Titles	21.5	23.8	19.2	2.3	(2.3)
Vehicle Licenses	93.7	101.7	87.3	8.0	(6.4)
Vehicle Sales Tax	281.0	277.4	263.5	(3.6)	(17.5)
Riverboat Gaming	380.0	395.8	367.0	15.8	(13.0)
Racetrack slots	61.0	65.2	58.0	4.2	(3.0)
Video Draw Poker	214.0	206.5	202.7	(7.5)	(11.3)
Total-Public Safety	1,060.5	1,081.5	1,007.0	21.0	-53.5
Total Taxes, Lic., Fees	10,032.1	9,930.4	9,751.7	-101.7	-280.4
<i>Less: Dedications</i>	<i>(1,817.4)</i>	<i>(1,819.6)</i>	<i>(1,730.6)</i>	<i>(2.2)</i>	<i>86.9</i>
<i>Less: NOW Waiver Fund Allocation</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>	<i>-</i>
STATE GENERAL FUND REVENUE - DIRECT	8,214.7	8,110.8	8,021.1	-103.9	-193.5
Oil Price (\$/barrel)	\$65.64	\$77.99	\$65.64	\$12.35	\$0.00

Some columns and lines do not add precisely due to rounding.

REVENUE ESTIMATING CONFERENCE

FISCAL YEAR 11 FORECAST

(In Million \$)

REVENUE SOURCE / Dedications	Official Forecast 5/21/2009	Proposed DOA Forecast 12/17/2009	ADOPTED Proposed LFO Forecast 12/17/2009	DOA +(-) Official Forecast	LFO +(-) Official Forecast
Transp. Trust/Motor Fuels/93% Veh. Sales	476.0	477.9	451.4	1.9	(24.6)
Transp. Mobility Fund / 7% Veh. Sales	0.0	0.0	0.0	-	-
Motor Vehicles Lic. - TTF	41.2	44.2	37.5	3.0	(3.7)
Aviation Tax - TTF	29.8	29.8	29.8	0.0	-
TTF/Interest and Fees	38.4	31.0	37.1	(7.4)	(1.3)
Motor Fuels - TIME Program	119.0	119.5	112.8	0.5	(6.2)
Motor Veh.Lic - Hwy Fund #2	10.9	11.6	10.0	0.7	(0.9)
State Highway Improvement Fund	41.0	45.9	39.3	4.9	(1.7)
Severance Tax -Parishes	34.8	38.4	39.5	3.6	4.7
Severance Tax - Forest Prod. Fund	3.0	2.5	2.6	(0.5)	(0.4)
Royalties - Parishes	46.4	54.0	47.6	7.6	1.2
Royalties-DNR/AG Support Fund	2.6	1.6	2.6	(1.0)	-
Wetlands Fund	29.2	30.3	29.5	1.1	0.3
Mineral Audit Settlement Fund	0.0	0.0	0.0	-	-
Quality Ed. Support Fund	65.0	69.9	50.0	4.9	(15.0)
LA Econ Dev Port Dev Infra Fund	0.0		0.0	-	-
Sales Tax Econ. Development	13.0	12.4	12.2	(0.5)	(0.8)
Tourist Promotion District	21.9	20.7	20.6	(1.2)	(1.3)
Excise Lic. - 2% Fire Ins.	18.6	16.1	18.3	(2.5)	(0.3)
Excise Lic. -Fire Mars. Fd.	13.0	13.2	15.0	0.2	2.0
Excise Lic. - LSU Fire Tr.	2.6	2.6	3.0	0.0	0.4
Insurance Fees	57.3	58.0	60.3	0.7	2.9
State Police Salary Fund	15.6	15.6	15.6	-	-
Video Draw Poker	66.3	63.4	62.4	(3.0)	(4.0)
Racetrack Slots	27.9	31.2	27.4	3.2	(0.6)
Lottery Proceeds Fund	122.5	126.2	126.2	3.7	3.7
SELF Fund	166.2	157.8	152.7	(8.4)	(13.5)
Riverboat 'Gaming' Enforce.	57.8	62.9	58.0	5.1	0.2
Compulsive Gaming Fund	2.5	2.5	2.5	-	-
Stabilization Fund	0.0	0.0	0.0	-	-
Hazardous Waste Funds	3.1	3.5	3.1	0.4	-
Supervision/Inspection Fee	8.6	9.1	7.0	0.5	(1.6)
Insp. Fee/Gasoline, Ag. Petr. Fund	5.2	5.0	5.0	(0.2)	(0.1)
Tobacco Settlement	86.5	63.0	63.0	(23.5)	(23.5)
Tob Tax Health Care Fd / Reg Enf Fd	42.3	43.8	37.5	1.6	(4.8)
Rapid Response Fund/Econ Dev	10.0	10.0	10.0	-	-
Rapid Response Fund/Workforce	10.0	10.0	10.0	-	-
Unclaimed Property / I-49	15.0	15.0	15.0	-	-
Capitol Tech	10.0	10.0	10.0	-	-
DHH Provider Fees	104.1	111.0	106.1	6.9	2.0
Total Dedications	1,817.4	1,819.6	1,730.6	2.2	-86.9

ADOPTED

Some columns and lines do not add precisely due to rounding.

REVENUE ESTIMATING CONFERENCE

FISCAL YEAR 12-14 FORECAST

(In Million \$)

REVENUE SOURCE / Dedications	ADOPTED LFO FY12 12/17/09	ADOPTED LFO FY13 12/17/09	ADOPTED LFO FY14 12/17/09
Alcoholic Beverage	19.0	19.0	19.0
Beer	36.5	36.5	36.5
Corporate Franchise	45.7	34.8	37.2
Corporate Income	335.5	304.3	311.2
<i>Total Corp Fran. & Inc.</i>	381.2	339.1	348.4
Gasoline & Special Fuels	567.9	578.1	592.9
Gift	0.0	0.0	0.0
Hazardous Waste	3.1	3.1	3.1
Individual Income	2,751.0	2,847.0	2,959.0
Inheritance	1.4	1.4	1.4
Natural Gas Franchise	4.0	4.5	5.0
Public Utilities	5.0	5.0	5.0
Auto Rental Excise	5.0	5.0	5.0
Sales Tax - General	2,527.3	2,622.2	2,726.2
Severance	839.1	831.3	834.6
Special Fuels			
Supervision/Inspection Fee	7.5	8.0	8.5
Tobacco	126.3	125.9	125.5
Unclaimed Property	32.0	32.0	32.0
Miscellaneous Receipts	6.5	6.5	6.5
Total-Dept. of Revenue	7,312.7	7,464.6	7,708.6
Royalties	508.8	510.0	509.4
Rentals	18.3	18.4	18.3
Bonuses	37.0	37.1	37.1
Mineral Interest	2.5	2.6	2.5
Total-Natural Res.	566.7	568.0	567.4
Interest Earnings (SGF)	100.0	90.0	70.0
Interest Earnings (TTF)	6.8	6.8	6.8
Var. Agy. Receipts	44.3	44.3	44.3
Agency SGR Over-Collections	20.4	20.4	20.4
Bond Reimbursements	4.0	4.0	4.0
Quality Ed. Support Fund	55.0	60.0	65.0
Lottery Proceeds	126.7	126.7	126.7
Land-based Casino	76.5	79.5	83.5
Tobacco Settlement	63.9	65.0	66.1
DHH Provider Fees	106.1	106.1	106.1
Total Treasury	603.6	602.8	592.9
Excise License	359.2	382.4	405.4
Ins. Rating Fees (SGF)	61.4	65.4	69.3
Total-Insurance	420.6	447.8	474.7
Misc. DPS Permits & ABC Permits	10.3	11.2	11.6
Titles	21.5	23.4	24.2
Vehicle Licenses	97.5	106.1	109.7
Vehicle Sales Tax	295.0	320.1	331.2
Riverboat Gaming	373.5	383.1	389.9
Racetrack slots	60.0	62.0	62.0
Video Draw Poker	210.1	220.3	227.5
Total-Public Safety	1,068.0	1,126.2	1,156.1
Total Taxes, Lic., Fees	9,971.6	10,209.4	10,499.7
<i>Less: Dedications</i>	<i>(1,767.2)</i>	<i>(1,809.4)</i>	<i>(1,850.7)</i>
<i>Less: NOW Waiver Fund Allocation</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
STATE GENERAL FUND REVENUE - DIRECT	8,204.4	8,400.0	8,649.0
Oil Price (\$/barrel)	\$68.74	\$65.97	\$66.00

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REVENUE ESTIMATING CONFERENCE

FISCAL YEAR 12-14 FORECAST

(In Million \$)

REVENUE SOURCE / Dedications	ADOPTED LFO FY12 12/17/09	ADOPTED LFO FY13 12/17/09	ADOPTED LFO FY14 12/17/09
	ADOPTED	ADOPTED	ADOPTED
Transp. Trust/Motor Fuels/93% Veh. Sales	454.3	462.5	474.3
Transp. Mobility Fund / 7% Veh. Sales	0.0	0.0	0.0
Motor Vehicles Lic. - TTF	41.9	45.6	47.2
Aviation Tax - TTF	29.8	29.8	29.8
TTF/Interest and Fees	37.1	37.1	37.1
Motor Fuels - TIME Program	113.6	115.6	118.6
Motor Veh.Lic - Hwy Fund #2	11.1	12.1	12.5
State Highway Improvement Fund	43.9	47.7	49.4
Severance Tax -Parishes	42.0	41.6	41.7
Severance Tax - Forest Prod. Fund	2.6	2.6	2.6
Royalties - Parishes	50.9	51.0	50.9
Royalties-DNR/AG Support Fund	2.6	2.6	2.6
Wetlands Fund	31.1	31.0	31.0
Mineral Audit Settlement Fund	0.0	0.0	0.0
Quality Ed. Support Fund	55.0	60.0	65.0
LA Econ Dev Port Dev Infra Fund	0.0	0.0	0.0
Sales Tax Econ. Development	12.5	13.0	13.5
Tourist Promotion District	21.2	22.1	22.9
Excise Lic. - 2% Fire Ins.	18.6	19.8	21.0
Excise Lic. -Fire Mars. Fd.	15.3	16.3	17.3
Excise Lic. - LSU Fire Tr.	3.1	3.3	3.5
Insurance Fees	61.4	65.4	69.3
State Police Salary Fund	15.6	15.6	15.6
Video Draw Poker	64.4	67.1	69.0
Racetrack Slots	27.5	27.6	27.6
Lottery Proceeds Fund	126.2	126.2	126.2
SELF Fund	156.3	161.4	166.8
Riverboat 'Gaming' Enforce.	59.0	60.5	61.6
Compulsive Gaming Fund	2.5	2.5	2.5
Stabilization Fund	0.0	0.0	0.0
Hazardous Waste Funds	3.1	3.1	3.1
Supervision/Inspection Fee	7.5	8.0	8.5
Insp. Fee/Gasoline, Ag. Petr. Fund	4.9	5.0	5.2
Tobacco Settlement	63.9	65.0	66.1
Tob Tax Health Care Fd / Reg Enf Fd	37.4	37.3	37.2
Rapid Response Fund/Econ Dev	10.0	10.0	10.0
Rapid Response Fund/Workforce	10.0	10.0	10.0
Unclaimed Property / I-49	15.0	15.0	15.0
Capitol Tech	10.0	10.0	10.0
DHH Provider Fees	106.1	106.1	106.1
Total Dedications	1,767.2	1,809.4	1,850.7

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